

## HUMAN SERVICES BOARD

# INTRODUCTION

## FINDINGS OF FACT

2. Prior to December 2008 the petitioners were enrolled in a health insurance plan through Gladle that was offered through Blue Cross Blue Shield of New York.. In November 2008

Gladle notified Vermont members of their organization that their health coverage was being "moved automatically" to a plan offered through MVP because BC/BS of New York was not licensed to do business in Vermont.

3. It appears, however, that the premiums under the MVP plan were higher than they had been under BC/BS of New York. The petitioners dropped their insurance coverage under Gladle because they considered the new premiums to be too high, and they applied for VHAP.

4. The Department denied their applications on December 8, 2008 based on its determination that the petitioners had had private insurance within the past 12 months. The issue in the case is whether the petitioners fall into any exception to the so-called 12-month rule.

ORDER

The Department's decision is affirmed.

REASONS

The VHAP regulations require applicants to be "uninsured". W.A.M. § 4000. Section 4001.2 of the regulations includes the following:

Uninsured or Underinsured

Individuals meet this requirement if they do not qualify for Medicare and have no other insurance that includes both hospital and physician services, and did not have such insurance within the 12 months prior to the month of application, unless they meet one of the following exceptions specified below.

(a) Exceptions related to loss of employer-sponsored coverage

Individuals who had coverage under another health insurance plan within the 12 months prior to the month of application meet this requirement if their employer-sponsored coverage ended because of:

- loss of employment. . .

In this case, the Department has determined that even if the petitioners' previous insurance could be considered "employer-sponsored", it did not end due to a loss of employment, but rather because the petitioners opted not to continue coverage after being notified of an increase in their premium, a situation which is not uncommon under any private or employer-sponsored health plan. Inasmuch as it cannot be concluded that the Department's application of the above regulation is erroneous, its decision to deny the petitioners' applications for VHAP must be affirmed. 3  
V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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